



MEMO FOR BROKERS No. 2010-0060

Trading Rules
 Membership Rules
 Listing Rules

Computer System Update
 Administrative Matters
 Others

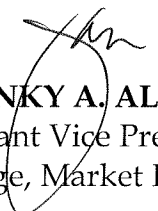
DATE : 10 February 2010
TO : Trading Participants
SUBJECT : Commencement of 2010 Regulatory Examination

Please be informed that the Annual Regulatory Examination of Trading Participants ("TPs") shall commence on 16 February 2010 and shall be conducted jointly by the Market Regulation Division of the Philippine Stock Exchange ("PSE") and Market Regulation Department of the Securities and Exchange Commission ("SEC"). All TPs are enjoined to keep current the relevant books, records, schedules and similar documents which shall be required during the examination.

Consistent with the audit methodology and examination calendar approved by the SEC, the SEC and PSE shall conduct the joint examination to determine the compliance by the TPs with the relevant provisions of the Securities Regulation Code, its implementing rules and regulations, and the Exchange rules (particularly provisions governing Customer Protection, Books and Records, Risked-Based Capital Adequacy, Anti-Money Laundering Act, and Corporate Governance). The examination shall cover a one-year period, the month immediately preceding the examination being the audit cutoff. The examination shall include TPs which the MRD did not audit in the previous year and high-risk TPs determined based on the MRD's risk assessment for the current year.

The MRD shall discuss any comment or question of each TP on the examination during the audit kickoff meeting to be held upon the TP's receipt of the MRD's letter of authority.

For information and guidance.


JINKY A. ALORA
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 Officer-in-Charge, Market Regulation Division

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